GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1105
ANSWERED ON:29.11.2006
SETTING UP OF NON-COKING COAL WASHRIES
Khaire Shri Chandrakant Bhaurao

Will the Minister of COAL be pleased to state:

(a) whether Coal India Limited (CIL) proposes to set up non-coking coal washeries within the jurisdiction of each subsidiary coal company of Coal India Limited;

(b) if so, the details thereof;

(c) whether private investors are also likely to be invited to set up washeries; and

(d) if so, the terms and conditions contemplated to be laid down for the agreement to be signed in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO)

(a) & (b): As per information received from Coal India Limited(CIL), CIL do not have any concrete proposal to set up non-coking coal washeries, as of now, on its own in any of its subsidiary coal companies. The need for augmenting supply of washed coal to thermal power plants is being increasingly recognised. Nevertheless, CIL have supported proposal for setting up non-coking coal washeries for supply of washed coal to linked core sector consumers.

(c) & (d) For washing non-coking coal, CIL encourages, wherever possible, its consumers and private investors to set up coal washeries. In this connection, CIL offers land and other infrastructural facilities, as available, on lease/chargeable basis. Broad terms and conditions of Memorandum of Understanding (MOU) /agreement contemplated for providing infrastructural facilities by subsidiary companies of CIL are as follows:

Land to be used only for installation of the washery and its associated facilities.
Land lease rent to be paid annually.
Development of the land to be the responsibility of the washery operator.
Rejects generated in the process of washing to be disposed off in environment friendly manner as per approved environment management plan.
Washery to beneficiate coal on behalf of the consumers to the extent of linkage provided to the consumers.
Washery to return the washed coal and rejects to the consumers who was supplied the coal for washing.
Washery shall not sell the raw coal, washed coal and rejects to any party.
Washery operator to obtain all statutory clearances as required under various legislations as applicable.
Washery operator to ensure that the operation of the washery does in no way restrict or have any impact on coal mining